Loans to States

86. SHRIMATI KRISHNA KAUL: Will the Minister of FINANCE be pleased to state:

(a) whether Government have decided not to provide to the States medium-term loans to meet deficit: and

(b) if so, what are the details of the decision taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) and (b) Government of India have decided to provide medium term loans equivalent to 90 per cent of the States' overdraft as on 28.1.1985. The States have been advised to clear the balance 10 per cent of the overdraft by 1st October, 1985. The medium term loans would be recovered in the next four years in equal instalments and would carry a rate of interest of 8 per cent.

No objection certificate for transfer of accounts from one Bank to the other

87. SHRIMATI KRISHNA KAUL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that an entrepreneur who is not satisfied with the servicing of his account by one Bank cannot go to another Bank even after repaying all his dues unless he gets a 'No objection Certificate' from the Bank where he is having his account;

(b) if so, what are the reasons therefor; and

(c) what steps Government are taking to remove this condition to help the entrepreneurs?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) to (c) To ensure financial discipline among the borrowers and to prevent dilution of standards of financial scrutiny on the part of the banks large borrowers having credit limits of Rs. 50 lakhs and above with one Bank have to have the concurrence of that Bank before having credit arrangements with another bank. This question does not arise if a borrower has repaid all dues of a Bank and ceased to enjoy credit limit from it.

In case of smaller borrowers the bank taking over an account is expected to merely obtain a credit report from the Bank from which the account is being transferred.

Export of Stainless Steel Utensils

88. SHRIMATI KRISHNA KAUL: Will the Minister of COMMERCE be pleased to state:

(a) what are the quantity and value of stainless steel utensils exported by India during the year 1984-85; and

(b) what are the details of the incentives; if any, given for its export?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA): (a) Export of Stainless Steel Utensils from India during the year 1984-85 is provisionally estimated at Rs. 5.75 crores.

(b) The details of export incentives applicable to stainless steel utensils are:

(1) Import Replenishment (Stainless Steel Products containing stainless steel sheet content not less than 80 per cent by weight)	50%
(2) Duty Drawback	
(a) Utensils and other articles and hospital ware (other than hospital furniture) made of SS Sheets, strips, circles of 22—28 BG	Rs. 0.80 per kg.
(b) Copper bottomed utensils made of stainless steel sheets, strips circles of 22—28 BG	Rs. 4.35 per kg.